

**Department of Administration  
Diversity Action Plan  
Executive Summary**

**I. Purpose**

The Department of Administration's diversity action plan is a tool designed to assist agency managers with their efforts to recruit, retain, and develop diverse and engaged employees who are committed to:

- supporting the department's mission of serving, satisfying, and supporting the department's customers;
- achieving the department's vision of being a role model for state government agencies by delivering excellent customer service;
- adopting the department's core values and guiding principles of trust and respect, integrity, accountability, consistency and fairness, collaboration, a diverse and skilled workforce, forward-thinking, and transparency; and
- achieving the department's goals of:
  - advancing the department's mission, vision, and values by providing excellent, timely, and cost-effective customer service;
  - creating and maintaining a highly qualified, professional, diverse, and responsive workforce that accurately reflects the labor force in Montana and supports the department's mission, vision, and values; and
  - promoting a safe and healthy work environment for employees to experience job satisfaction in their achievements and contributions to the agency's mission and vision.

The diversity action plan supports the department's mission, vision, core values, guiding principles, goals, and objectives by:

- defining diversity and its importance to the department;
- identifying labor-market trends;
- providing a demographic snapshot of department employees;
- offering a detailed analysis of the department's utilization analysis report and other relevant trend data; and
- providing strategies, tools, and resources for recruiting, retaining, and developing diverse talent from all segments of the population.

The diversity action plan establishes goals from which the department management and human resources professionals can create specific objectives to focus their efforts to improve the diversity of the department workforce, targeting occupations which women and minorities are underrepresented.

## II. Methodology

The plan 1) defines “diversity” and “inclusion” to promote a common understanding of these concepts and their importance to the department; 2) clarifies differences between equal opportunity and diversity; 3) highlights employment trends and implications for the department; and 4) provides an analysis of department trend data.

### 1. Diversity and Inclusion

- A. **Diversity** – The department defines diversity as a collection of individual characteristics and unique life experiences shaping who we are as individuals and how we relate to the world around us.
- B. **Inclusion** – The department defines inclusion as affording all employees the opportunity to reach their fullest potential by recognizing, respecting, and capitalizing upon the unique backgrounds, experiences, and perspectives they bring to the department.

### 2. Difference between Equal Opportunity and Diversity

- A. While equal opportunity and diversity are interrelated, they are not synonymous. **Equal opportunity** is a legal requirement and prohibits discrimination based upon race, color, religion, national origin, sex, age, physical or mental disability, marital status, political beliefs, creed, veteran’s status, and genetic information. Executive branch policies also prohibit discrimination because of a person’s sexual orientation, culture, ancestry, and social origin or condition. Equal opportunity laws and policies prohibit retaliation against anyone who files a complaint, opposes a discriminatory action, or participates in an investigation or court proceeding.
- B. **Diversity** is not a legal requirement. Diversity is the result of inclusive and respectful workplace practices recognizing individual differences as a key to the organization’s success. Diversity is about valuing the unique contributions of employees and promoting the full use of their talents, skills, backgrounds, and experiences. When managed effectively, a diverse and inclusive workforce supports the department’s mission by fostering positive, professional working relationships; developing employees to their fullest potential; promoting innovation, creativity, and team-focused problem solving; building pride, esprit de corps, and loyalty to the department and its mission; and serving as a positive role model and employer of choice in Montana.

The department recognizes a broad range of other attributes, in addition to the previously mentioned protected classes, that make employees unique and, in many cases, similar. Some examples include personality; familial status; socioeconomic status; values and beliefs; education; work experience; organizational role; physical, mental, and intellectual abilities; communication style; and geographic upbringing. This list is not all-inclusive. Department employees have many other characteristics and qualities that make them who they are as individuals.

### **3. Importance of Diversity and Inclusion**

Understanding and valuing individual differences promotes positive working relationships and enhances customer service. Diversity extends beyond the basic principles of “tolerance” to recognizing and valuing the rich diversity within each individual. It emphasizes mutual understanding and respect. It acknowledges the unique qualities of each individual, preserves their individual dignity, and promotes personal and professional development.

Agency managers must respect, understand, and manage these differences and encourage their employees to explore different perspectives to discover new and innovative ways of doing business and to harness the true value of diversity.

Fostering a safe, positive, and nurturing work environment supports this goal. Recognizing and valuing the unique contributions of employees promotes positive working relationships, higher levels of morale, organizational pride, productivity, teamwork, and less turnover.

Promoting an inclusive and respectful workforce prepares employees to respond to increasing demands with an ever-changing work environment and promotes greater understanding and appreciation for the unique needs of the Department’s customers.

The department must challenge past practices and adopt innovative human-capital strategies that span all segments of society to attract and retain top talent and to remain competitive in today's changing labor market. The first step requires an understanding of the factors and issues influencing the labor market and tailoring employment strategies to leverage the best talent available.

### **4. Employment Trends Affecting Today’s Labor Market**

There are a number of demographic changes occurring throughout the country and here in Montana. Our workforce is getting older; our racial and ethnic demographics are changing; women are entering the workforce in greater numbers, yet still underrepresented in many higher-paying occupations; and people with disabilities and veterans are underrepresented in the labor market.

Many of these changes are causing employers to challenge traditional business practices and human resources strategies to remain competitive in an unstable and ever-changing business environment.

The department must evaluate and change its human resources strategies and recruitment and selection processes to ensure agency managers are reaching qualified candidates from all segments of the population and promoting a culture where all employees are respected, valued for their contributions, and have the opportunity to reach their full potential.

### **III. Findings**

#### **1. Underutilization**

The department compared its workforce by gender and race to Montana's labor force using utilization analysis reports provided by the State Human Resources Division (SHRD) and data from the Census Bureau Special EEO Tabulation.

The EEO tabulation serves as the external benchmark for comparing the race, ethnicity, and sex composition of the department to the labor market in Montana.

While agency managers have made strides in hiring women and minorities into several occupational groups where they were previously underrepresented, women are underrepresented in eight occupational groups within the department and have a total underutilization of 23 individuals.

Minorities are underrepresented in nine occupational groups with a total underutilization of 15 individuals. Several of these occupational groups have displayed a consistent pattern of underutilization over the years.

#### **2. Turnover**

Seventy-one employees, 14 percent of all department employees, left their positions between July 1, 2011, and May 30, 2012. Employees left for one of five reasons: 1) personal reasons; 2) transfer to another agency; 3) transfer within the department; 4) reasons not listed; or 5) retirement.

Most employees who left the department during their first two years of employment left for personal reasons followed by transfers to another department. The reasons changed after two years when most employees left because of transfers to another department or because of retirement later in their careers. Turnover of women and men varied according to years of service and reasons for termination. More men left their positions within the first five years of service than women. Men and women left in equal numbers between five and ten years. More women left their positions after ten years than men.

Women were more likely than men to leave the department for personal reasons during their first five years of service, but men were more likely to transfer during that time period.

After five years, however, men were more likely to leave for personal reasons and retirement later in their careers, while women were more likely to transfer to another department.

One minority, an American Indian, transferred from the department.

### **3. Applicant and Hire Data**

The department hired 99 employees between January 2011 and July 2012 with slightly over 3,600 applicants applying.

Women represented 54 percent of all applicants and 57 percent of hires during that time period. Minorities represented over 9 percent of applicants and 8 percent of hires during the same time period.

Thirty-three of the positions advertised between January 2011 and July 2012 aligned with six occupational groups where women are underutilized. Women were hired into 18 of those positions. The female hires, however, did little to reduce underutilization, mainly because of turnover and because women were frequently hired into positions with higher representations of women (e.g., accountants, accounting technicians, data control technicians, etc.), and men were hired into positions with higher representations of men (e.g., budget analysts, bank examiners, computer support specialists, auditing technician managers, etc.).

The department hired five American Indians and three Hispanics or Latinos into three occupational groups where American Indians and other minorities are underrepresented. Hires into two of the occupational groups, however, did little to reduce their underutilization.

### **IV. Goals:**

These goals are intended to assist agency managers and HR professionals with developing a diversity action plan with specific objectives to improve the diversity of the department's workforce, targeting occupations which women and minorities are underrepresented. The goals are:

1. Establish a diversity program that aligns with the mission, vision, goals, objectives, core values, and guiding principles of the department.
2. Communicate the department's commitment to diversity and inclusion to agency managers, employees, and other stakeholders.
3. Promote a workplace culture that espouses mutual understanding, individual dignity, and respect.
4. Develop innovative workplace strategies known to promote diversity and inclusion, such as collaborating with diverse organizations, conducting outreach to diverse talent pipelines, offering flexible work scheduling, and allowing telework, job sharing, etc.

Assessment of these programs and objectives are monitored annually and modified, as needed, to ensure success of the plan.